REPORT and STATEMENT

DOMINION BRIDGE COMPANY LIMITED

FOR YEAR ENDED
31st OCTOBER

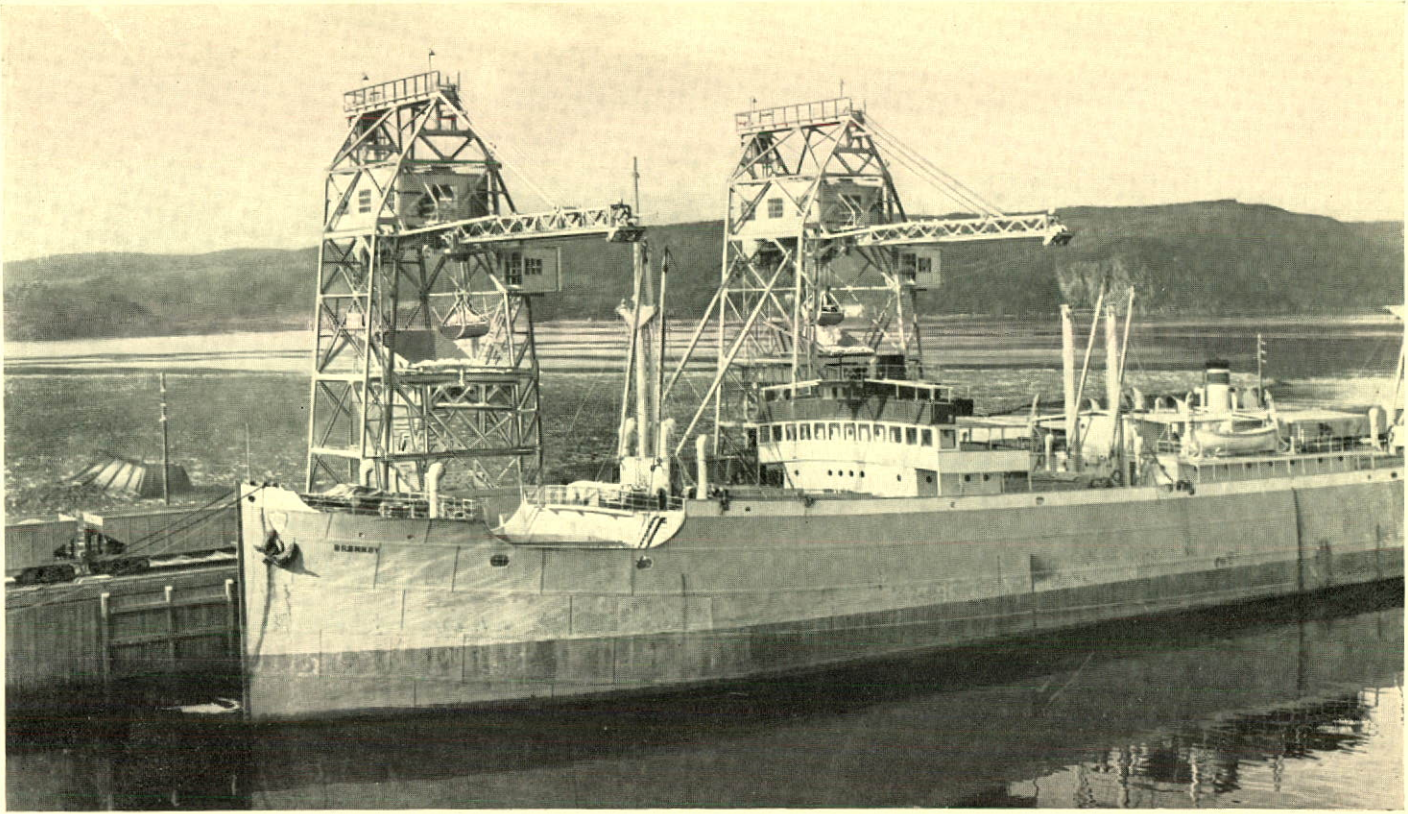
1939

ARIES
11 1954
McGILL UNIVERSITY

ANNUAL REPORT

For the Fiscal Year Ended 31st October

1939



TWO ORE UNLOADING TOWERS

Designed and built for the Saguenay Terminals Ltd., Port Alfred, P.Q.

Capacity 400 tons per hour each

DOMINION BRIDGE COMPANY LIMITED

DIRECTORS

G. H. DUGGAN ..... Chairman of the Board
W. F. ANGUS ..... President and Managing Director
W. TAYLOR-BAILEY ..... Vice-President and General Manager

G. W. ALLAN, K.C. ..... Winnipeg
JOHN BURNS ..... Calgary
C. H. CARLISLE ..... Toronto
NORMAN J. DAWES ..... Montreal
T. R. DEACON ..... Winnipeg
A. A. HODGSON ..... Montreal
SIR HERBERT S. HOLT ..... Montreal
ROSS H. McMASTER ..... Montreal
G. H. MONTGOMERY, K.C. ..... Montreal
HOWARD MURRAY ..... Montreal
W. G. MURRIN ..... Vancouver
PAUL F. SISE ..... Montreal
H. H. VAUGHAN ..... Montreal

HEAD OFFICE - LACHINE, P.Q.
F. W. EVENS—Secretary-Treasurer

EXECUTIVE OFFICERS

W. F. ANGUS ..... President and Managing Director
W. TAYLOR-BAILEY ..... Vice-President and General Manager
S. W. CAMPBELL ..... Vice-President and Manager Western Division
F. P. SHEARWOOD ..... Consulting Engineer
F. NEWELL ..... Chief Engineer
J. L. HEALD ..... Comptroller
F. W. EVENS ..... Secretary-Treasurer

MANUFACTURING DIVISIONS AND OFFICES

Eastern Division ..... A. H. COWIE ..... Manager, Lachine, P.Q.
Ontario Division ..... A. R. ROBERTSON ..... Manager, Toronto, Ont.
Western Division ..... S. W. CAMPBELL ..... Vice-President, Winnipeg, Man.
Pacific Division ..... A. S. GENTLES ..... Manager, Vancouver, B.C.

BRANCH PLANTS

AMHERST, N.S. ..... J. F. F. MacKENZIE ..... Local Manager
OTTAWA, ONT. ..... W. A. MATTICE ..... Local Manager
CALGARY, ALTA ..... J. P. CARROLL ..... Local Manager

AGENCIES

MONTREAL, P.Q. ..... C. S. KANE, Divisional Sales Manager ..... Lachine, P.Q.
EDMONTON, ALTA. ..... D. J. CARTER, Agent ..... 106th and 121st Street
REGINA, SASK. ..... H. CRABTREE, Agent ..... 1769 Hamilton Street

DOMINION BRIDGE COMPANY LIMITED

19th December, 1939.

To the Shareholders of

DOMINION BRIDGE COMPANY, LIMITED

Your Directors submit the Annual Report of the Company together with Balance Sheet as at October 31st, 1939, and Profit and Loss Account for the year ended that date.

Value of new business entered during the year shows an increase of 6% over that entered in 1938, but much of this was received too late for completion during the year and the value of work invoiced was 21½% less than in the previous year.

A comparison of new business entered by plants shows:

Amherst	2 %
Lachine	45½%
Ottawa	1½%
Toronto	20 %
Calgary	5 %
Winnipeg	16½%
Vancouver	9½%
	100%

Percentages of total output for the individual plants were:

Amherst	1 %
Lachine	33½%
Ottawa	2 %
Toronto	18½%
Calgary	5 %
Winnipeg	28½%
Vancouver	11½%
	100%

DOMINION BRIDGE COMPANY LIMITED

Expenditures on Capital Account during the year amounted to $97,000.00, the principal item of which was the installation of a sprinkler system in your Shaw Street plant in Toronto, thereby reducing fire insurance premiums on this plant by a considerable amount. All the principal plants of your Company are now fully protected by modern sprinkler systems.

Stocks of raw material and manufacturing supplies are well assorted and saleable, and the inventories have been taken at conservative prices.

Your Directors have declared quarterly dividends of 30c per share, a total of $1.20 for the year.

It is with sorrow your Directors record the death of their colleague, Julian C. Smith, Vice-President, who was for nineteen years a Director, a member of the Executive Committee since 1922 and a Vice-President since 1930. He was scrupulously conscientious in the faithful discharge of his duties towards the Company and its Shareholders. His knowledge of the Company's affairs, his wise counsel and keen business ability, which were ever at the disposal of his colleagues, will be greatly missed in the deliberations of the Board.

Your Directors wish to record their appreciation of the loyalty and efficiency of the staff throughout the Company's entire organization.

Meetings of your Board of Directors have been held monthly, the books of your Company have been regularly audited and the certificate of your Auditors appears on the Financial Statement herewith submitted.

By Order of the Board of Directors,

W. F. ANGUS,
President.

DOMINION BRIDGE

AND ENTIRELY OWNED

CONSOLIDATED BALANCE SH

ASSETS

Fixed Assets			
Real Estate, Plant, Machinery and Equipment	$16,272,155.78		
Less: Depreciation Reserve	7,907,602.31		
*Cost less amounts written off.		*$8,364,553.47	
Investments in Partly Owned Subsidiaries at Book Value		2,484,097.75	
Due by Partly Owned Subsidiaries		105,300.00	
Investments in Other Companies at Book Value—less Reserve		134,384.29	
			$11,088,335.51
Current Assets			
Cash on Hand and in Bank		$1,189,213.37	
Call Loan—Guaranteed		300,000.00	
Government and Other Bonds and Securities (Approximate Market Value, $2,549,498.45)		2,398,458.61	
Deposits on Tenders		71,057.00	
Expenditure on Uncompleted Contracts at Standard Cost, less Reserve	$ 2,359,270.23		
Less: Amounts received on account	1,091,564.51		
		1,267,705.72	
Accounts and Bills Receivable less Reserve for Doubtful Accounts		1,292,264.34	
Stock of Steel, Supplies and Small Tools at Cost, which is less than Market Value—less Reserve		2,748,387.52	
			9,267,086.56
2,649 Fully Paid No Par Value Shares held by Trust Companies for sale to employees of Dominion Bridge Company, Limited			40,084.10
Suspended Assets			
Unexpired Insurance Premiums, Taxes and Deferred Charges			103,581.94
			$20,499,088.11

W. F. ANGUS, *Director.*

G. H. DUGGAN, *Director.*

COMPANY LIMITED

UBSIDIARY COMPANIES

ET AS AT 31st OCTOBER, 1939

LIABILITIES

Capital Stock

Authorized: 600,000 Shares of No Par Value.....		
Issued: 513,951 Shares of No Par Value.....		$15,921,366.00

Reserve Accounts

For Plant Extensions and Betterments.....	$1,000,000.00	
For Accidents in Erection.....	181,358.36	
		1,181,358.36

Earned Surplus Account

Balance as per Profit and Loss Account.....		1,828,902.22

Current Liabilities

Dividend Payable 15th November, 1939.....	$ 154,185.30	
Bank Loan for Tender Deposits.....	42,475.00	
Reserve for Taxes.....	297,618.65	
Sundry Accounts Payable.....	1,073,182.58	
		1,567,461.53

$20,499,088.11

Montreal, 15th December, 1939.

Verified in accordance with our Report of even date on the Consolidated Balance Sheet of Dominion Bridge Company, Limited and Wholly Owned Subsidiary Companies.

(Signed) RIDDELL, STEAD, GRAHAM & HUTCHISON,
Chartered Accountants,
Auditors.

DOMINION BRIDGE COMPANY LIMITED

AND

ENTIRELY OWNED SUBSIDIARY COMPANIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST OCTOBER, 1939

Profits from Contracts, Interest and Exchange and Miscellaneous Income		$832,809.20
Revenue from Investments		149,071.53
Profit on Bonds sold		46,464.07
		$1,028,344.80
Deduct:		
Directors' Fees	$23,830.00	
Executive Salaries	74,000.00	
Legal Fees	2,607.75	
Reserve for Income Taxes	136,151.78	
Depreciation on Plant, Machinery, etc.	420,325.96	656,915.49
		$371,429.31
Add:		
Balance at Credit 1st November, 1938		2,074,214.11
		$2,445,643.42
Deduct:		
Dividend for year		616,741.20
		$1,828,902.22

RIDDELL, STEAD, GRAHAM & HUTCHISON

CHARTERED ACCOUNTANTS

460 ST. FRANCOIS XAVIER STREET, MONTREAL

15th December, 1939.

To the Shareholders,

DOMINION BRIDGE COMPANY, LIMITED

We have examined and audited the Books and Accounts of Dominion Bridge Company, Limited and its entirely owned Subsidiary Companies for the year ended 31st October, 1939, and report thereon as follows:—

The Inventories of Stock on Hand, as certified by responsible officials of the various Companies, have been valued on a conservative basis.

The Investments in which your Company is interested have been verified by actual inspection of the Securities or by certificates from the Depositaries in the cases where the Securities are deposited for safe custody.

In accordance with Section 114 of the Dominion Companies Act, we report that no portion of the profits of partly owned subsidiaries (with the exception of dividends actually declared by one of these) is included in these accounts. The dividends received by this Company exceed the combined aggregate of profits less losses of the subsidiaries by $4,966.85.

We report that we have obtained all the information and explanations we have required and that, in our opinion, the accompanying Balance Sheet as at 31st October, 1939, is properly drawn up so as to exhibit a true and correct view of the state of the combined companies' affairs, according to the best of our information and the explanations given to us, and as shown by the Books of the Companies.

(SGD.) RIDDELL, STEAD, GRAHAM & HUTCHISON,
CHARTERED ACCOUNTANTS,
Auditors.

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